

Mahindra Restructures its Farm Equipment business in Turkey

Farm

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- Erkunt Traktor to acquire Hisarlar's Agricultural Machinery business and build on its turnaround, evolving into a full range Farm Equipment OEM
- MOICML to divest its stake in the non-core Metal Fabrication business of Hisarlar

Mumbai, July 7, 2021: Mahindra and Mahindra Ltd, today announced that its subsidiary Erkunt Traktor Sanayi A.S. (Erkunt), will acquire the Agriculture Machinery business from Hisarlar Makina Sanayi ve Ticaret Anonim Sirketi (Hisarlar), also a subsidiary of the company. In a reverse deal, Mahindra Overseas Investment Company (Mauritius) Limited (MOICML), a wholly owned subsidiary of the Company, and Erkunt have agreed to sell their entire stake of 94.3% in Hisarlar, for an aggregate consideration of Turkish Lira 6.6 million (equivalent to approx. INR 5.6 crores).

As part of the restructuring its subsidiaries in Turkey, Mahindra Group will exit Hisarlar's Metal Fabrication business. While, Erkunt will acquire the Agricultural Machinery business of Hisarlar, including select related assets, Intellectual Property and Brand use rights. Mahindra Group, through Erkunt will continue to stay invested in the core business of Agricultural Machinery

products ranging from soil tillage to post harvest segments. In addition, Erkunt will acquire select cabin manufacturing assets of Hisarlar.

Commenting on the transaction, **Hemant Sikka, President, Farm Equipment Sector, M&M Ltd.** said, *“Through this transaction, we have retained the core business of Agricultural Machinery and all the IP built over the years. This makes Erkunt Traktor a full range Farm equipment OEM, ensuring that our dealers in Turkey and customers in Europe and other international markets continue to be serviced. It is in line with our capital allocation and in perfect harmony with our purpose of ‘Transform Farming, Enrich Lives’.*

Mahindra continues to establish itself as a global tractor maker with a full line of farm machinery business through acquisitions and new manufacturing units, underpinned by the requisite brand and sales infrastructure as well as a leveraging its global network for product development.

For over 3 decades, Mahindra has been India's unprecedented No. 1 tractor brand and the world's largest tractor manufacturer by volumes. With a presence in over 50 countries Mahindra has leveraged its quality, as the only tractor brand in the world to win both the Deming Award and the Japanese Quality Medal.

About Mahindra

Founded in 1945, the Mahindra Group is one of the largest and most admired multinational federation of companies with 260,000 employees in over 100 countries. It enjoys a leadership position in farm equipment, utility vehicles, information technology and financial services in India and is the world's largest tractor company by volume. It has a strong presence in renewable energy, agriculture, logistics, hospitality and real estate.

The Mahindra Group has a clear focus on leading ESG globally, enabling rural prosperity and enhancing urban living, with a goal to drive positive change in the lives of communities and stakeholders to enable them to Rise.

Learn more about Mahindra on www.mahindra.com / Twitter and Facebook: @MahindraRise/ For updates subscribe to <https://www.mahindra.com/news-room>

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